

Illinois Investment Policy Board

Minutes of the regular meeting of the board

June 13, 2018

Call to Order

A regular meeting of the members of the Illinois Investment Policy Board ("Board") convened on Wednesday, March 28, 2018 in the James R. Thompson Center located at 100. W Randolph St. , 16th floor.

The following members of the Board were in attendance:

Mitchell Goldberg (Board Chair)

Michael Mahoney

William Atwood

Andrew Lappin

Martin Noven (Telephonic)

Alicia Oberman (Telephonic)

Also in attendance was Monica-Kaye Gamble, executive secretary and counsel to the IIPB.

Goldberg called the meeting to order at 1:00 pm. A motion was made (by Mahoney, seconded by Lappin) to allow Noven and Oberman to appear telephonically. The motion was approved (6-0).

Approval of Minutes

The minutes of the meeting of the Board held March 28, 2018 were presented to the members by Goldberg. No additions or corrections were noted. By vote upon motion (by Lappin, seconded by Mahoney), the Minutes were approved (6-0) as written.

Public Comments

None.

Administrative Matters

None.

Report from the Committee on Sudan, Iran and Expatriate Restrictions

Atwood reported that the Committee met earlier. Atwood reported that new lists for Iran Restrictions and Sudan Restrictions provided by ISS-Ethix for Sudan restrictions and Iran restrictions had been provided to the Retirement Systems as directed by the IIPB at the 3/28 meeting. The Committee recommended to notify those companies newly identified by letter that they are in violation of the Illinois statute and to review any responses at the next meeting in September, whereby a decision will be made to publish the names of these companies on the public lists.

Atwood reported that the Committee had received 4 appeal letters for companies placed on the Sudan list. Two of those companies, Panalpina and Maersk, did not address the Illinois-specific issues for inclusion on the list. The Committee recommended that Gamble send letters to those entities stating this and letting them know that they are not being removed from the list at this time.

Atwood also reported that no supplemental response had been provided from counsel for Mahindra. Accordingly, the Committee recommended that the IIPB remove the asterisk for that company.

Atwood also reported that a substantial submission had been received from Mashreqbank, which seemed to suggest that all Sudan connections violative of the Illinois statute had been ended. The Committee recommended that Mashreqbank be contacted to obtain an affidavit confirming this, and that, upon satisfaction of Gamble, that Mashreqbank could be removed from the list.

Atwood also reported on that all six entities identified on the expatriate company list were provided notice. No responses had been received. Accordingly, the Committee recommended that the asterisk be removed from the entities on that list. Atwood reported that no additional companies had been identified by Sustainalytics.

Noven moved (seconded by Mahoney) that IIPB accept the recommendations of the Committee. The motion passed (6-0).

Report from the Committee on Israel Boycott Restrictions

Goldberg reported on the meeting of the Committee. Goldberg reported that ISS-Ethix had not yet provided further information regarding TOBAM Core Investment. He further reported that, notice had been sent to Sampension Kp Livsforsikring A/S, DNB ASA, and PFA Pension Forsikrings AS and Storebrand. He reported that Sampension has submitted a response, but that the Committee did not find the response justified removal from the list. The Committee reported that they authorized Gamble to respond to that company as to the bases given by ISS-Ethix for inclusion on the list. No responses had been received from the other companies. The Committee recommended that Sampension Kp Livsforsikring A/S, DNB ASA, and PFA Pension Forsikrings AS and Storebrand be published on the Israel Boycott Restrictions List.

Goldberg also reported on reports provided by the Israel American Committee for Action on an additional companies, Achmea Investment Management and De Volksbank. These reports were sent to ISS-Ethix for comment. ISS-Ethix has not yet reported about Achmea. However, ISS-Ethix reported that De Volksbank apparently purchased SNS Bank and ASN Bank, both of which are on the IIPB Israel Boycott Restrictions list. The Committee recommended that the De Volksbank be identified as a company boycotting Israel, that notice be sent to same, and that it be subsequently added to the Israel Boycott Restrictions list.

The Committee further reported that no supplemental submission had yet been received from Danske Bank. The Committee recommended to remove the asterisk from Danske Bank's name on the Israel Boycott Restrictions list.

Lappin moved (seconded by Oberman) that IIPB accept the recommendations of the Committee. The motion passed (6-0).

Other Business

None

Board Member Comments

None

Upcoming Meetings

The next meeting will be on September 12, 2018 at 1:00 p.m., unless otherwise scheduled, which will be provided with due and timely notice posted.

Adjournment

Seeing no further business Lappin motioned to adjourn at 1:24 p.m. Seconded by Oberman. The motion was approved (6-0).